

Christopher J. Battaglia, Esq.  
Donna H. Lieberman, Esq.  
Julie D. Dyas, Esq.  
HALPERIN BATTAGLIA RAICHT, LLP  
555 Madison Avenue – 9<sup>th</sup> Floor  
New York, New York 10022  
Phone: (212) 765-9100  
Facsimile: (212) 765-0964

*Counsel for BTR Global Opportunity Trading Limited,  
BTR Global Growth Trading Limited,  
BTR Global Arbitrage Trading Limited,  
BTR Global Prospector Trading Limited and  
BTR Global Prospector II Trading Limited*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11 Case No.

LEHMAN BROTHERS HOLDINGS INC., *et al.*

08-13555 (JMP)

Jointly Administered

Debtors.

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**LIMITED OBJECTION OF BTR FUND CLAIMANTS AND RESERVATION  
OF RIGHTS WITH RESPECT TO THE DEBTORS' COLLATERAL DISPOSITION  
AGREEMENT WITH JPMORGAN CHASE BANK, N.A., ET AL.**

Prior to the petition date in these Chapter 11 cases, BTR Global Opportunity Trading Limited, BTR Global Growth Trading Limited, BTR Global Arbitrage Trading Limited, BTR Global Prospector Trading Limited and BTR Global Prospector II Trading Limited (together, the “Claimants” or the “BTR Funds”) each maintained both publicly listed and privately traded securities in Lehman accounts. Because the BTR Funds cannot determine with certainty whether their securities are implicated by the Debtors’ Motion (the “Motion”) for Approval of Collateral Disposition Agreement with JPMorgan Chase Bank, N.A., *et al.*, (the “Disposition Agreement”), given the redaction of Annex B to the Motion, the BTR Funds submit

this limited objection to the Motion. In support of their limited objection, the BTR Funds respectfully allege as follows:

**The Accounts with Lehman**

1. The Claimants are investment funds organized under the laws of the Cayman Islands. Each of the Claimants entered into an International Prime Brokerage Agreement dated as of June 19, 2002 with Lehman Brothers International (Europe) (“LBIE”), pursuant to which LBIE maintained two accounts for each of the BTR Funds -- one for privately traded and one for publicly traded securities owned by that fund.

2. Those agreements were replaced and superseded by “Customer Account Agreement -- Prime Brokerage” dated as of September 11, 2008 (the “Customer Agreements”) between (i) each of the BTR Funds and (ii) Lehman Brothers, Inc., on behalf of itself and its affiliates, subsidiaries, divisions, etc. (including, without limitation, LBIE, and together, “Lehman”). In accordance with the Customer Agreements, Lehman held the relevant securities in trust at all times for the benefit of the BTR Funds.

3. Prior to the petition date, the BTR Funds directed Lehman to transfer the privately traded securities from the Lehman accounts to BTR Funds’ accounts at a Canadian bank. Upon information and belief, Lehman effected those transfers, although it does not appear that JP Morgan Chase Bank, N.A. (“JP Morgan Chase”), the sub-custodian with which Lehman maintained some of its accounts, in turn effected the physical transfer of those privately traded securities. As for the publicly traded funds, the BTR Funds believe that some or all of such securities are being held in trust for them at JP Morgan Chase in Lehman accounts (likely Lehman accounts in the name of LBIE).

### **The Limited Objection**

4. As many of the BTR Funds' securities may be held at JPMorgan Chase in trust for the BTR Funds, but possibly in an account in the name of a Lehman entity – whether LBIE or otherwise -- the BTR Funds interpose this limited objection. To date, the Claimants have been unable to confirm the locations and record holders of all of their accounts and securities and therefore do not know with certainty whether their securities are implicated by the Motion, which seeks, among other things, to transfer certain unidentified “illiquid” securities from a non-debtor entity (JPMorgan Chase) to a debtor entity, Lehman Brothers Holdings Inc. (“LBHI”). The language in the Motion suggests that publicly traded securities are *not* being transferred to JP Morgan Chase, and if that is in fact the case, the BTR Funds would ask that any order approving the Disposition Agreement make that explicit.

5. Though all parties' rights are purportedly preserved under the proposed order, the BTR Funds note that if its securities *are* implicated in the settlement before the Court, the transfer of the Claimants' property from a non-debtor to a debtor will create additional unnecessary burdens for the BTR Funds in identifying and obtaining possession of their property.

*(remainder of page intentionally blank)*

**WHEREFORE**, the BTR Funds object to approval of the Motion and Disposition Agreement, solely to the extent the securities of the BTR Funds (whether privately or publicly traded) are implicated thereby, and the BTR Funds respectfully request that (i) the proposed order be modified to specify that their securities (whether privately or publicly traded) are not included in the Motion or the Disposition Agreement, or alternatively, to exclude the securities of the BTR Funds from the Disposition Agreement, and (ii) the Court grant the BTR Funds such other relief as may be just and proper.

Dated: New York, New York  
March 10, 2010

**HALPERIN BATTAGLIA RAICHT, LLP**

By: /s/ Christopher J. Battaglia  
Christopher J. Battaglia, Esq.  
Donna H. Lieberman, Esq.  
Julie D. Dyas, Esq.

555 Madison Avenue – 9<sup>th</sup> Floor  
New York, New York 10022  
Phone: (212) 765-9100  
Facsimile: (212) 765-0964  
[cbattaglia@halperinlaw.net](mailto:cbattaglia@halperinlaw.net)  
[dlieberman@halperinlaw.net](mailto:dlieberman@halperinlaw.net)  
[jdyas@halperinlaw.net](mailto:jdyas@halperinlaw.net)

*Counsel for BTR Global Opportunity Trading  
Limited, BTR Global Growth Trading Limited, BTR  
Global Arbitrage Trading Limited, BTR Global  
Prospector Trading Limited and BTR Global  
Prospector II Trading Limited*